

CONNECTICUT STATE DEPARTMENT OF EDUCATION
BUREAU OF HEALTH AND NUTRITION SERVICES AND
CHILD/FAMILY/SCHOOL PARTNERSHIPS
25 INDUSTRIAL PARK ROAD
MIDDLETOWN, CONNECTICUT 06457-1543

TO: Child and Adult Care Food Program (CACFP) Sponsors

FROM: Maureen B. Staggenborg, Director
Child Nutrition Programs

DATE: November 1, 2004

SUBJECT: Operational Memorandum #04C-05
Meals Obtained from an Outside Source - *School Food Service Agreement/*
Food Service Management Company

Meals not prepared by the sponsor either on site (self-prep) or from the sponsor's central kitchen are considered to be obtained from an outside source e.g., *vended* meals. It is essential that any sponsor intending to change from self-prep to vended meals contact the Child Nutrition Unit prior to entering into any arrangement with an outside party. Failure to do so may result in disallowed claims.

Competitive bidding procedures are required for procuring meals from an outside source such as a Food Service Management Company (FSMC), for-profit or nonprofit organizations. The small purchase threshold for all non-governmental not-for-profit organizations operating U.S. Department of Agriculture (USDA) entitlement programs is \$100,000. Formal bid advertising requirements are required for the purchase of goods and/or services with an annual cost exceeding \$100,000. Although formal bid advertising is not required for the purchase of goods and services with a value less than \$100,000, all procurement transactions must be conducted in a manner to provide, to the maximum extent practical, free and open competition. This includes the requirement to solicit price quotations and perform cost and price analysis. Meals can also be obtained from a school food service through a specific agreement with a Board of Education.

Sponsors who currently have an approved contract or agreement for obtaining meals from an outside source should have previously submitted their FSMC contract, FSMC addendum or *School Food Service Agreement* to the Child Nutrition Unit as part of the FY2004-05 CACFP application renewal process. If you have **not** already submitted a copy of your FSMC contract, FSMC addendum or School Food Service Agreement to the Child Nutrition Unit, please submit the required information at this time.

If there are questions regarding this memorandum, please contact Susan Boyle at (860) 807-2074, Celia Cordero at (860) 807-2076 or Benedict Onye at (860) 807-2080.

MBS:shb